



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8**

1595 Wynkoop Street
Denver, CO 80202-1129
Phone 800-227-8917
<http://epa.gov/region8>

MAR 14 2008

Ref: ENF-AT

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Andy McNight
Regional Recycling, LLC
P.O. Box 2102
Cody, WY 82414

Re: In the Matter of Regional Recycling, LLC

Dear Ms. McNight:

Enclosed is an administrative compliance order (Order) for violations of the Clean Air Act (CAA) requirements relating to substances used as refrigerants. The United States Environmental Protection Agency (EPA) alleges in this Order that Regional Recycling, LLC has failed to comply with the "Stratospheric Ozone Protection" requirements of Subchapter VI at Section 608(b) of the Clean Air Act (Act), 42 U.S.C. Section 7671(g)(b). These requirements for the handling of Class I and Class II substances used as refrigerants are contained in regulations at 40 C.F.R. Part 82, Subpart F.

This Order requires Regional Recycling, LLC to demonstrate compliance with Section 608(b) and the implementing regulations. Any violation of this Order may lead to the commencement of a civil action for permanent or temporary injunction, or to assessment and recovery of a civil penalty of not more than \$32,500 per day for each violation, or both, pursuant to Section 113(b) of the Act, 42 U.S.C. Section 7413(b), or criminal sanctions pursuant to Section 113(c) of the Act, 42 U.S.C. Section 7413(c).

By issuing this Order, EPA does not waive its right to seek injunctive relief or civil penalties of up to \$32,500 per day for each day of violation under Section 113(b) of the Act for any and all violations, or both injunctive relief and civil penalties.

This Order will become effective thirty (30) calendar days from the date of your receipt of the Order, allowing you thirty days in which to request a conference with EPA. Whether or not you request a conference, you may confer informally with EPA concerning the alleged violations. You may appear at the conference yourself, be represented by an attorney, or both.

The Environmental Protection Agency is sensitive to the complexity of regulatory compliance and supports the Small Business Regulatory Enforcement and Fairness Act (SBREFA) to help small businesses comply with government regulations. Enclosed is the "U.S. EPA Small Business Resources Information Sheet" which summarizes information regarding compliance assistance resources and tools that are available to small businesses. The inclusion of this information sheet does not mean that EPA has determined that your organization is a small business, nor does SBREFA eliminate your responsibility outlined in the attached Order.

If you have any technical questions, please contact:

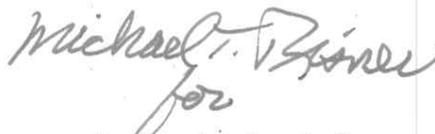
David Cobb
Technical Enforcement Program
U.S. EPA Region 8 (8ENF-AT)
1595 Wynkoop Street
Denver, CO 80202
(303) 312-6592

Legal questions should be directed to:

David Rochlin, Enforcement Attorney
EPA Region 8
U.S. EPA Region 8 (8ENF-L)
1595 Wynkoop Street
Denver, CO 80202
(303) 312-6892

I urge your prompt attention to this matter.

Sincerely,

A handwritten signature in black ink that reads "Michael T. Zinner" with "for" written below it.

Andrew M. Gaydosh
Assistant Regional Administrator
Office of Enforcement, Compliance and
Environmental Justice

Enclosures:

1. Compliance Order
2. Refrigerant Recovery or Recycling Device Acquisition Certification Form
3. Information Sheet: U.S. EPA Small Business Resources

UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY
REGION 8

2008 MAR 18 PM 1:26

FILED
EPA REGION VIII
HEARING CLERK

IN THE MATTER OF:)

Regional Recycling, LLC)
P.O. Box 2102)
Cody, WY 82414)

Respondent)

COMPLIANCE ORDER

DOCKET NO.: CAA-08-2008-0013

STATUTORY AUTHORITY

This Compliance Order (referred to as the "Order") is issued pursuant to Section 113(a)(3)(B) of the Clean Air Act ("CAA"), 42 U.S.C. Section 7413(a)(3)(B), as amended November 15, 1990. The issuer is the Assistant Regional Administrator for the Office of Enforcement, Compliance and Environmental Justice of the United States Environmental Protection Agency ("EPA"), Region 8, who has been delegated by the Administrator of the EPA the authority to proceed with this action.

FINDINGS OF FACT

1. Respondent, Regional Recycling, LLC, is located in Cody, Wyoming.
2. Regional Recycling, LLC is a "person" as defined by Section 302(e) of the CAA, 42 U.S.C. Section 7602(e).
3. Since February 2007 Regional Recycling, LLC accepted shipments of appliances and motor vehicles without verification that refrigerant which had not leaked previously had been properly evacuated from the appliance in accordance with applicable EPA regulations.
4. Regional Recycling, LLC does take the final step in the disposal process of appliances and motor vehicles by crushing and baling all appliances and motor vehicles after receipt.

5. The Wyoming Department of Environmental Quality conducted an inspection of the facility on June 21, 2007 and submitted a written report with photographs to the EPA on July 2, 2007. The inspector observed two dumpsters containing appliances with broken refrigerant circuits, at least one refrigerator on a scrap metal pile, and automobiles. The inspector asked the facility's owner for any records showing that these appliances were properly evacuated. The facility's owner stated that they did not have those records.

VIOLATIONS

6. Regional Recycling, LLC failed to meet the verification requirements of 40 C.F.R. Section 82.156(f) by accepting shipments of appliances (including motor vehicles) without obtaining signed statements or contracts that refrigerant which had not leaked previously had been properly recovered.

7. Regional Recycling, LLC failed to meet the recordkeeping requirements to maintain copies of these signed verification statements on site for three years in accordance with 40 C.F.R. Section 82.166(i) and (m).

COMPLIANCE ORDER

Pursuant to Section 113(a)(3)(B) of the CAA, 42 U.S.C. Section 7413(a)(3)(B), and upon the basis of available information, EPA hereby issues the following order:

8. Within thirty (30) days of receipt of this Compliance Order, the Respondent shall recover any remaining refrigerant from each accepted appliance and motor vehicle in accordance with 40 C.F.R. Section 82.156(f)(1); and/or verify that the refrigerant has been previously evacuated from the appliance or shipment of appliances in accordance with Section 82.156(f)(2). Such verification must include a signed statement from the person from whom the appliance or shipment of appliances is obtained that all refrigerant that had not leaked previously has been recovered in accordance with 40 C.F.R. Section 82.156(g) or (h) as applicable. **This statement must include the name and address of the person who recovered the refrigerant and the date the refrigerant was recovered or a contract that the refrigerant will be removed prior to delivery.** Copies of these signed verification statements must be maintained on site for three

years in accordance with 40 C.F.R. Section 82.166(i) and (m). The Respondent must also maintain for three years copies of customer invoices and receipts documenting the sale or transfer of appliances, motor vehicles and recovered refrigerants.

9. In accordance with 40 C.F.R. Section 82.156(g), Respondent may not knowingly vent or otherwise release into the environment any refrigerant or substitute from such appliances while maintaining, servicing, repairing, or disposing of appliances. The term "appliance" is defined in 40 C.F.R. Section 82.152(a) as any device which contains and uses a Class I or Class II substance as a refrigerant and which is used for household or commercial purposes, including any air conditioner, refrigerator, chiller, or freezer. The term "motor vehicle air conditioner" is defined in 40 C.F.R. Section 82.152(a) as any appliance that is a motor vehicle air conditioner as defined in 40 C.F.R. part 82, subpart B.

10. The Respondent shall provide EPA with confirmation that the above requirements of CAA Section 608 and 40 C.F.R. Part 82 have been met within thirty (30) days of receipt of this Compliance Order by providing the Agency with the following:

- a. A complete narrative description of the process that will be used by Regional Recycling, LLC to verify the proper recovery of refrigerant from appliances and motor vehicles;
- b. If a verification statement will be provided to suppliers to verify refrigerant recovery, submit a blank copy of this form, including fields to enter the name and address of the person who recovered the refrigerant and the date recovered;
- c. If contracts are provided to suppliers to verify refrigerant recovery, provide a blank copy;
- d. Complete the attached "Refrigerant Recovery or Recycling Device Acquisition Certification Form" (OMB #2060-0256) if Regional Recycling, LLC intends to recover refrigerants from appliances and motor vehicles;
- e. Provide a blank copy of the log that will be used if Regional Recycling LLC intends to remove refrigerants. This log should include a signature of the

person removing the refrigerant, the date removed, a description of the appliance, model and serial number; and

- f. Provide copies of all current, signed and dated supplier contracts or agreements that the refrigerant will be removed prior to delivery.

Materials shall be mailed to:

David Cobb, 8ENF-AT
U.S. Environmental Protection Agency
1595 Wynkoop Street
Denver, Colorado 80202-1129

ENFORCEMENT

11. Issuance of this Order does not preclude any other action by EPA to redress past or future violations of the CAA, including either of the following:

- a. An administrative penalty complaint pursuant to Section 113(d) of the CAA, 42 U.S.C. Section 7413(d), for civil penalties of up to \$32,500 per day for each violation during the period the facility is not in compliance;
- or
- b. A civil action pursuant to Section 113(b) of the CAA, 42 U.S.C. Section 7413(b), for injunctive relief or civil penalties of up to \$32,500 per day for each violation during the period the facility is not in compliance, or both.

12. Pursuant to Section 120 of the CAA, 42 U.S.C. Section 7420, EPA is also authorized to assess noncompliance penalties aimed at recovering the economic benefit which any person received by not complying with the CAA.

13. In addition, under Section 306(a) of the CAA, 42 U.S.C. Section 7606(a); the regulations promulgated at 40 C.F.R. Part 15; and Executive Order 11738, facilities to be utilized in federal contracts, grants, or loans must be in full compliance with the CAA and all regulations promulgated there under.

14. Pursuant to Section 113(a)(3) of the CAA, 42 U.S.C. Section 7413(a)(3), failure to comply with this Order may lead to a civil action to obtain compliance or an action for civil and criminal penalties.

OPPORTUNITY FOR CONFERENCE

15. In accordance with Section 113(a)(4) of the CAA, 42 U.S.C. Section 7413(a)(4), the EPA offers the Respondent an opportunity for a conference to discuss this Order. The request for such a conference must be made no later than thirty (30) calendar days from the date of receipt of this Order. If Regional Recycling, LLC wishes to make arrangements for a conference, please contact David Cobb, Environmental Scientist, Office of Enforcement, Compliance and Environmental Justice, U.S. EPA Region 8, 1595 Wynkoop Street, Denver, Colorado 80202, (303) 312-6592. By offering the opportunity for a conference or participating in a conference, EPA does not waive or limit its right to any remedy available under the CAA.

EFFECTIVE DATE

This Order shall become effective thirty (30) calendar days after receipt by Respondent of this Order.

Date:

3/14/08

for Michael T. Bigner
Andrew M. Gaydosh
Assistant Regional Administrator
Office of Enforcement, Compliance and
Environmental Justice

CERTIFICATE OF SERVICE

The undersigned hereby certifies that the original and one copy of the ADMINISTRATIVE COMPLIANCE ORDER was hand-carried to the Regional Hearing Clerk, EPA, Region 8, 1595 Wynkoop Street, Denver, Colorado, and that a true copy of the same was mailed by certified mail to:

**Andy McNight
Regional Recycling, LLC
P.O. Box 2102
Cody, Wyoming 82414**

Certified Return Receipt No. 7005 1820 0005 4850 0182


Evalyn Ladner
Technical Enforcement Program
U.S. EPA, Region VIII

3/19/08
Date